

He would not say when activists expected to have the document ready. The proposed referendum, known as the Varela Project, appears to be the first signature-gathering effort to get this far under the government of Fidel Castro (news—web sites), in power for 43 years.

The referendum would ask voters whether they think guarantees are needed to assure the rights of free speech and association and whether they support an amnesty for political prisoners. It would also call for new electoral laws and more opportunities for Cubans to run their own private businesses.

Castro's government has not commented publicly on the effort. Previous petition efforts have stalled in part because people were afraid to sign, but in the decade since the collapse of the Soviet Union, the government has shown slightly more tolerance for opposition groups.

The project is named for Father Felix Varela, a Roman Catholic priest who fought for the emancipation of slaves on the Caribbean island. The referendum was first mentioned by the Christian Liberation Movement shortly after Pope John Paul (news—web sites) II's visit here in January 1998.

The Cuban Commission for Human Rights and Reconciliation and the Democratic Solidarity Party later joined the Christian Liberation Movement in helping coordinate the signature-gathering drive. The groups have been gathering signatures across the island since early last year.

All three groups operate here without the approval of the government, which regularly characterizes its opponents as "counter-revolutionaries" and "mercenaries" for the U.S. government and Cuban exiles.

#### CUBA DISSIDENTS SAY 10,000 SIGN REFERENDUM APPEAL

(By Isabel Garcia-Zarza)

HAVANA (Reuters)—In an apparently unprecedented move during President Fidel Castro's 43-year rule, a group of dissidents says it has gathered 10,000 signatures to ask the Cuban parliament for a referendum on political reforms.

"We are proposing a consultation with the people so they decide about change," a leading moderate dissident, Oswaldo Paya, who is the main promoter of the so-called Varela Project, told Reuters late on Wednesday.

The project, named for pro-independence Catholic priest Felix Varela (1788-1853), is based on article 88 of the Cuban constitution, which says new legislation may be proposed by citizens if more than 10,000 voters support them.

The proposed referendum, Paya said, would be on the need to guarantee the rights of free expression and association; an amnesty for political prisoners; more opportunities for private business; a new electoral law; and a general election.

Havana, which scorns dissidents as "counter-revolutionary" pawns of a hostile U.S. government and anti-Castro Cuban American groups, has publicly ignored the project. But Paya and others behind the campaign accused the government of mounting a strong campaign of "threats and persecution" to impede the gathering of signatures and delivery of letters to authorities.

"Authorities are acting like gangsters," said Paya, who has a long list of alleged verbal and physical abuse against Varela Project activists in the last year.

#### 'GOVERNMENT AFRAID'—PAYA

"The government is afraid of this liberating gesture, where a social vanguard is showing it has no fear. The government is afraid when the people are not afraid," he added. Castro frequently says his one-party communist system is more democratic than

the Western model and denies the existence of political prisoners or repression of freedom of expression.

The signatures, gathered by activists across the Caribbean island of 11 million inhabitants over the last year, will be presented to the National Assembly in a few weeks, once all 10,000 signatures have been checked and ratified, Paya said.

"This has never been done before, it has no precedent," he added. "It shows Cubans not only want changes, but also are ready to face the risks to show they want changes." According to Paya, more than 100 small opposition groups have backed the initiative. However, some prominent dissidents, such as Martha Beatriz Roque, do not support it, arguing it is unrealistic to seek change within a constitution designed by the Castro government.

Paya did not say what Varela Project backers will do if the initiative is rejected by the National Assembly, something analysts and diplomats think is virtually certain. "We are ready to keep demanding our rights," he said.

Over the four decades since the 1959 revolution, Cuba's scattered and marginalized internal dissident movement has made little headway against Castro's grip on power. Castro again scathingly lambasted dissidents this week, in a three-hour TV speech, as non-representative of the Cuban people and intent on helping Washington bring Cuba into the U.S. "empire."

#### SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### STEEL PROTECTIONISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, I am disheartened by the administration's recent decision to impose a 30 percent tariff on steel imports. This measure will hurt far more Americans than it will help, and it takes a step backward toward the protectionist thinking that dominated Washington in decades past. Make no mistake about it, these tariffs represent naked protectionism at its worst, a blatant disregard of any remaining free market principles to gain the short-term favor of certain special interests.

□ 1815

These steel tariffs also make it quite clear that the rhetoric about free trade in Washington is abandoned and replaced with talk of "fair trade" when special interests make demands. What most Washington politicians really believe in is government-managed trade,

not free trade. True free trade, by definition, takes place only in the absence of government interference of any kind, including tariffs. Government-managed trade means government, rather than competence in the marketplace, determines what industries and companies succeed or fail.

We have all heard about how these tariffs are needed to protect the jobs of American steelworkers, but we never hear about the jobs that will be lost or never created when the cost of steel rises 30 percent. We forget that tariffs are taxes and that imposing tariffs means raising taxes. Why is the administration raising taxes on American steel consumers? Apparently no one in the administration has read Henry Hazlitt's classic book "Economics in One Lesson." Professor Hazlitt's fundamental lesson was simple: we must examine economic policy by considering the long-term effects of any proposal on all groups.

The administration, instead, chose to focus on the immediate effects of steel tariffs on one group, the domestic steel industry. In doing so, it chose to ignore basic economics for the sake of political expediency. Now, I grant you that this is hardly anything new in this town, but it is important that we see these tariffs as the political favors that they are. This has nothing to do with fairness. The free market is fair. It alone justly rewards the worthiest competitors. Tariffs reward the strongest Washington lobbies.

We should recognize that the cost of these tariffs will not only be borne by American companies that import steel, such as those in the auto industry and building trades. The cost of these import taxes will be borne by nearly all Americans, because steel is widely used in the cars we drive and in the buildings in which we live and work. We will all pay, but the cost will be spread out and hidden, so no one complains. The domestic steel industry, however, has complained; and it has the corporate and union power that scares politicians in Washington. So the administration moved to protect domestic steel interests, with an eye towards upcoming elections. It moved to help members who represent steel-producing States.

We hear a great deal of criticism of special interests and their stranglehold on Washington, but somehow when we prop up an entire industry that has failed to stay competitive, "we are protecting American workers." What we are really doing is taxing all Americans to keep some politically favored corporations afloat. Some rank-and-file jobs may also be saved, but at what cost? Do steelworkers really have a right to demand Americans pay higher taxes to save an industry that should be required to compete on its own?

If we are going to protect the steel industry with tariffs, why not other industries? Does every industry that competes with imported goods have the same claim for protection? We have propped up the auto industry in the